INSTRUMENT PREPARED BY VIRGINIA GAS AND OIL BOARD ORDER RECORDED UNDER CODE OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB 07/08/21-1994

ELECTIONS, UNIT: V-536029

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

TAX MAP IDENTIFICATION UMBERS FOR ALL PARCELS AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBIT (S) B WHICH IS/ARE ATTACHED TO AND A PART OF THIS ORDER.

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on October 18, 2007, and recorded Instrument #200704475 at the Office of the Clerk of Circuit Court, Wise County, Virginia on October 29, 2007, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;

(b) The designated operator filed its affidavit of mailing dated November 29, 2007, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;

- (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated September 29, 2008, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
- (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (540) 563-7764, Attn: Judy Barger, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
- 3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (540) 563-7764, Attn: Judy Barger, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
- 4. <u>Mailing of Order and Filing of Affidavit:</u> The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each person whose interest or claim is subject to escrow and whose address is known.
- 5. <u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- 6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this a majority of the Virginia Gas and O	pil Board.	day of	July	, 2009 b
	Bradley Lamber	L. C.	tomfut	
DONE AND EXECUTED this a majority of the Virginia Gas and O	20 il Board.	day of	July	, 2009 by
	David E. Asbury Principal Execut Virginia Gas and	tive to the Staff	Lahur	7
STATE OF VIRGINIA COUNTY OF WASHINGTON Acknowledged this personally before me a notary public in a being duly sworn did depose and say that Asbury, Jr., being duly sworn did depose Gas and Oil Board, that they executed say	t he is Chairman of and say that he is	f the Virginia G Principal Execu	as and Oil Board and	David E.
	Diane J. Davis, 1	Notary, 17/4394	Davis	_

My Commission Expires September 30, 2009



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number V-536029 VGOB Docket No. VGOB-07/08/21-1994 in the Lipps Magisterial District of Wise County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

- 1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
- 2. That the Order entered on October 18, 2007, by the Virginia Gas and Oil Board regarding the captioned Conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
- 3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
- 4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on October 29, 2007.
- 5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

NONE

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6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, as unknown or/unlocatable.

NONE

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims.

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

Tracts	<u>Payee</u>	Cash Consideration
4	D & J FUELS, L.L.C. P.O. Box 4026 Wise, VA 24293-4026	$0.78 \times \$5.00 = \3.90
5	John Ring Trucking PO Box 755 Coeburn, VA 24230	$0.32 \times \$5.00 = \1.60

000148 SEP 108

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Susan Peterson, Notary

My commission expires: November 12, 2008

INSTRUMENT #200902946
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
SEPTEMBER 10, 2009 AT 01:40PM

J. JACK KENNEDY, JR., CLERK RECORDED BY: ADH

3

EXHIBIT "B" V-536029 VGOB 07/08/21-1994

TRACT	<u>LESSOR</u>	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE IN UNIT	NET REVENUE INTEREST
	Gas Estate Only				
1 Tax ID # 003613	Pine Mountain Oil & Gas, Inc. 3 Attn: Jerry Grantham P.O. Box 2136, Abingdon, VA 24212	Leased 241490 T-890	72.77000000%	82.00	0.09096250 RI
	Equitable Production				0.63673750 WI
Tract 1 Totals			0.72770000	82.0000	0.72770000
2 Tax ID 039641	Pine Mountain Oil & Gas, Inc. Attn: Jerry Grantham P.O. Box 2136, Abingdon, VA 24212	Leased 241640 T2-232	25.62000000%	28.8700	0.03202500 RI
	Equitable Production				0.22417500 WI
Tract 2 Totals			0.25620000	28.8700	0.25620000
3 Tax ID # 008523	Douglas E. Deel & 3 Misty Deel, h/w 11982 Tazewell Road Coeburn, VA 24230	Leased 907113	0.64000000%	0.72	0.00080000 RI
	Equitable Production				0.00560000 WI
Tract 3 Totals	Equitable 1 reduction	5 5 6 6 E	0.00640000	0.7200	0.00640000
4 Tax ID 032136	D & J FUELS, L.L.C. P.O. Box 4026 Wise, VA 24293-4026	Unleased	0.69000000%	0.78	0.00086250 RI
	Equitable Production				0.00603750 WI
Tract 4 Totals			0.00690000	0.7800	0.00690000
5 Tax ID 007513	John Ring Trucking PO Box 755 Coeburn, VA 24230	Unleased	0.28000000%	0.32	0.00035000 RI
	Equitable Production				0.00245000 WI
Tract 5 Totals			0.00280000	0.3200	0.00280000
	TOTAL GAS ESTATE		100.0000000%	112.6900	1.00000000

Instrument (Control	Number	

Commonwealth of Virginia **Land Record Instruments** Cover Sheet - Form A

[9/3/2009

[ORDER]

5]

7]

[Wise County

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1

[ILS VLR Cover Sheet Agent 1.0.93]

Date of Instrument:

Instrument Type:

Number of Parcels

Number of Pages

City County x

[Virginia

Last Name

CORP

AX

EXEMP

T

INSTRUMENT #200902946 CORDED IN THE CLERK'S OFFICE OF WISE COUNTY ON SEPTEMBER 10, 2009 AT 01:40PM RECORDED IN

JR. 5 ENNEDY :

(Box for Deed Stamp Only) First and Second Grantors First Name Middle Name or Initial Suffix] [Gas and Oil Board][

][][First and Second Grantees **Last Name** Suffix **First Name** Middle Name or Initial [Pine Mountain Oil & Gas][][[Pine Mountain Oil & Gas][][][**Grantee Address** (Name) [Equitable Production Company (Address 1) [P O Box 23536 (Address 2) (City, State, Zip) [Pittsburgh] [PA] [15222] Existing Debt [0.00 Consideration [0.00] Assumption Balance [0.00

County X [Wise County Prior Instr. Recorded at: City [100]] Percent. in this Juris. Instr. No [1 Page] Parcel Identification No (PIN) Tax Map Num. (if different than PIN) [003613 **Short Property Description** [Pooling Order for 1994 **Current Property Address (Address 1)** (Address 2) (City, State, Zip)][][

Instrument Prepared By [Virginia Gas and Oil Board **Recording Paid for By** [DMME Return Recording To (Name) [Tina Neal (Address 1) [P O Drawer 159 (Address 2) (City, State, Zip) [Lebanon **Customer Case ID** [0708211994][

] [VA] [24266

Cover Sheet Page # 1 of 3

			Commonwealth of Virginia Land Record Instruments Continuation Cover Sheet Form C	1	000141 SEP 10	83
T G R X A N T O R M	GRANTEE	CORP	Date of Instrument: [9/3/2009] Instrument Type: [ORDER] Number of Parcels [5] Number of Pages [7] City County X [Wise County	irantees/Parcel ((Box for Deed Stamp	Only)
P T				t Name	Middle Name or Initial	Suffix
		X	[Deel] [Douglas [Deel] [Misty [D & J Fules, LLC] [John Ring Trucking] [1 [1 [1 [1 [1 [1 [][]]][]]][]]][]]][]]
				[Wise Cour [] 39641 Pooling Order for	Instr. No [
				[Wise Cour [] 08523 cooling Order for	Instr. No [
			Current Property Address (Address 1) [(Address 2) [(City, State, Zip) [11] [][]



11 11

Cover Sheet Page # 2 of 3

Instrument Control Number			r		

000142 SEP 108

Commonwealth of Virginia Land Record Instruments Continuation Cover Sheet Form C

[ILS VLR Cover Sheet Agent 1.0.93]

T G G A R R X A A A N N N E T T T X O E E R E M P	C O R P	Date of Instrument: [9/3/2009] Instrument Type: [ORDER] Number of Parcels [5] Number of Pages [7] City County X [Wise County Grantors] s/Grantees/Parcel Conti	(Box for Deed Stamp Only)
		Last Name F	First Name	Middle Name or Initial	Suffix
		[] [] [] [] [] Percent. in this Ju Instr. No [ris. [100]
		Prior Instr. Recorded at: City Cou Book [] Page Parcel Identification No (PIN) Tax Map Num. (if different than PIN) Short Property Description Current Property Address (Address 1)	inty X [Wise County e [] [[007513 [Pooling Order for 1994 [Percent. in this Ju Instr. No [ris. [100]]]]]]



Cover Sheet Page # 3 of 3

SUPPLEMENTAL ORDER

DEED BOOK	PAGE#	INSTRUMETENT #	
COUNTY			
ESCROWING NO	TRACTS		
POOLING ONLY	TRACTS		
ORDER AGREES WIT	TH ORIGINAL		
AFFIDAVIT OF OPER	ATOR SIGNED & NOT	ARIZED WITH SEAL	<u>.</u> .
ORIGINAL ORDER	DATED		

The Board's escrow agent received a check from Equitable for docket 1994 (unit V-536029). We have advised them to return it as the board order does not allow for escrowing with our escrow agent. It only contained two unleased parties (D&J Fuels and John Ring Trucking tracts 4 & 5, respectively). Can you follow up with this to make certain they don't continue to send checks to the escrow agent?

Thank you for your assistance.
Diane
Diane.davis@dmme.virginia.gov

2/28/08